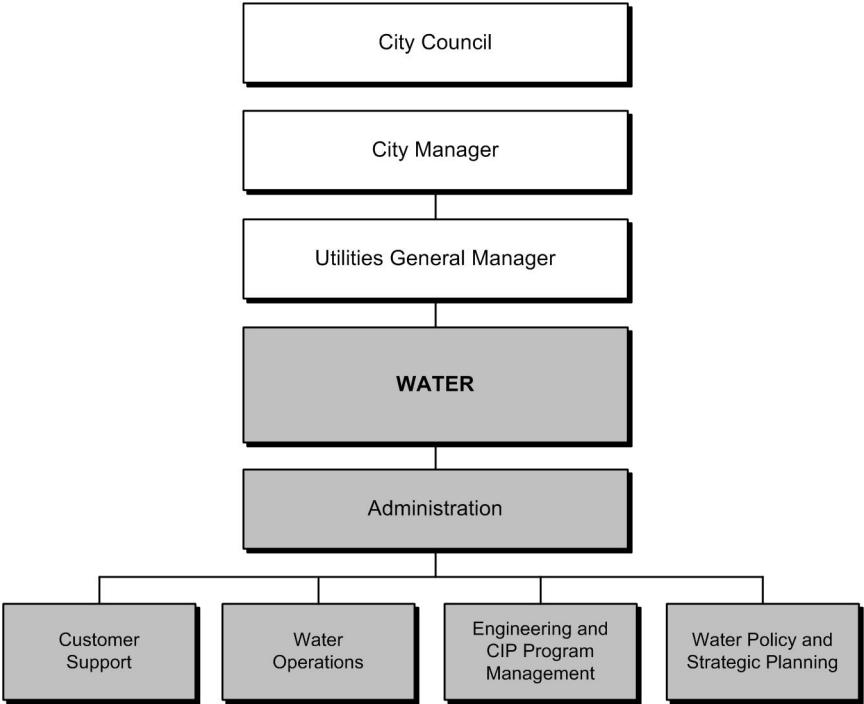
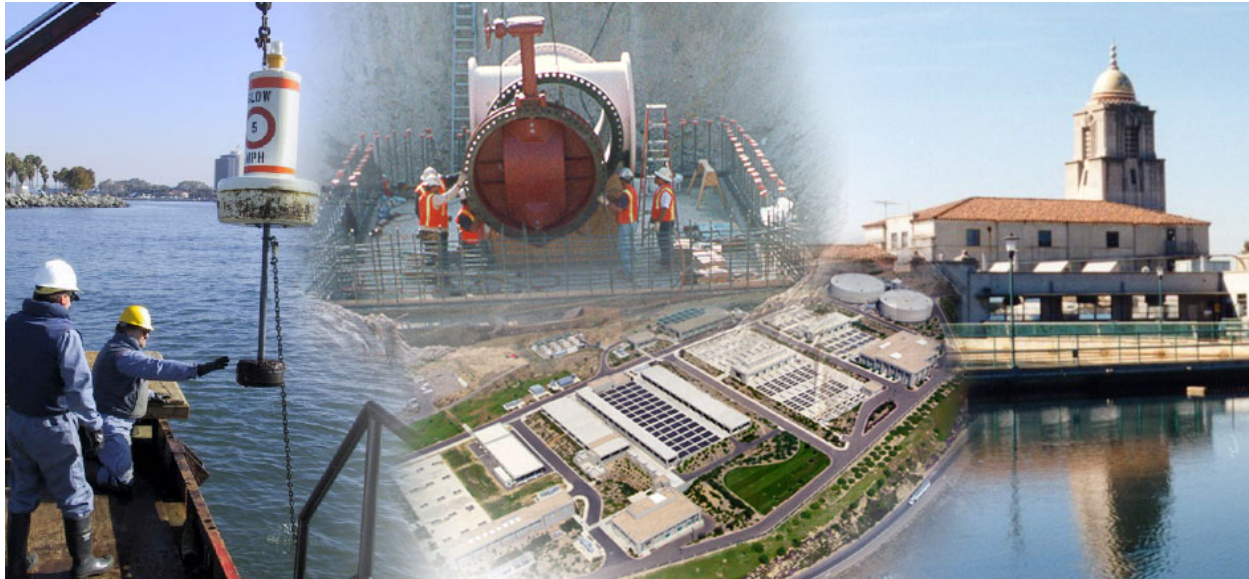




Water





## Mission Statement

To provide the San Diego Community with safe, reliable, cost effective water and outstanding customer service.

## Department Description

San Diego boasts one of the largest and most complex water storage, treatment and delivery systems in the world. The water system extends over 404 square miles serving more than 1.2 million residents with an average of 194 million gallons of water per day (MGD). Water is transported through approximately 3,280 miles of pipeline and nearly 268,000 metered service connections. The City has nine reservoirs with a total capacity of 415,936 acre feet (AF - one AF equals 325,900 gallons) and three water treatment plants with a total capacity of nearly 300 MGD.

Since San Diego is considered a semi-arid region, which lacks water as a natural resource, approximately 90 percent of the water used by residents is imported. One of the Water Department's primary responsibilities is to secure imported water supplies for the residents of San Diego while continuing to research alternative water supplies such as recycled water, groundwater, desalinization, etc. In addition to supplying water, the Department also performs a variety of functions and provides a number of services including water system repair and maintenance, lake recreation activities and water conservation education.

While the responsibilities of the City of San Diego Water Department have grown since it was established in 1901, its goal remains the same: to provide a safe and reliable water supply to the San Diego community.

## Division/Major Program Description

### Administration

The Administration Division is comprised of three major programs: Department Management, Human Resources, and Business Operations. Each program provides a specialized service for the Water Department. Depart-

# Water

## Division/Major Program Description (continued)

### Administration (continued)

ment. Department Management directs and manages Department activities. Other responsibilities include, acting as a liaison with local, State, and federal agencies, and advising the City of San Diego and the City Manager on water supply and other related issues. The Human Resources program is comprised of three sections: Human Resources, Payroll Services, and Training. The Human Resources section provides assistance for services such as rewards and recognition programs, employee evaluation tracking, equal employment opportunity training, administration, and discipline. Payroll Services provides payroll processing for all Water Department employees. The Training section offers training to Department employees for safety, technical and legally mandated programs. The Business Operations program is comprised of two sections: Financial Services and Information Services (IS). Financial Services provides budget coordination, expenditure and revenue forecasts, periodic financial reports, special studies, contract and grant administration, and legislative analysis. IS administers the data processing budget and service level agreements between the Water Department and San Diego Data Processing Corporation. IS also performs long-range technology business planning and provides technical assistance for all information system users in the Water Department.

### Customer Support

The Customer Support Division is comprised of six major sections: Division Management, Water Resources Management, Recycled Water Program, Customer Services Office, Field Services and Investigations, and Meter Services. Division Management directs and oversees the performance of the Division's sections. The Water Resources Management section develops and administers Citywide water conservation programs designed to promote permanent water savings. The Recycled Water Program administers the reclaimed water program including marketing and developing the use of reclaimed water in designated areas in the City. The Customer Services Office functions as a liaison between the Water Department and the City's customers for water and sewer services. The Field Services and Investigations section is the field liaison between the Water Department and the City's customers for water and sewer services. The Meter Services section is responsible for the accuracy, maintenance, installation, and replacement of water meters within the City of San Diego.

## Division/Major Program Description (continued)

### Engineering and CIP Program Management

The Engineering and CIP Program Management Division oversees the project management, engineering, and other technical aspects of upgrading and expanding the City's water system. The Division is comprised of seven sections: Division Management, Planning and Project Development, Project Management-Water Treatment Plants, Project Management-North Section, Project Management-South Section, Special Projects, and Operations Liaison. Division Management provides direction and oversees Division activities; Planning and Project Development conducts water modeling and planning studies to determine system deficiencies, as well as to identify and develop future projects for the next phase of the Capital Improvements Program. Project Management-Water Treatment Plants oversees improvements to the Miramar, Alvarado and Otay water treatment plants; Project Management -North Section oversees water system improvements geographically located north of Interstate 8; Project Management-South Section oversees water system improvements geographically located south of Interstate 8; Operations Liaison provides the operational perspective on all capital projects, as well as coordinates construction management for North and South Section projects. These efforts ensure timely and cost effective upgrade and expansion of the water system conducted with sensitivity to the environment and the customer needs.

### Water Operations

The Water Operations Division provides uninterrupted, continuous water service to the City of San Diego. The Division is comprised of eight major sections: Water Administration, Safety, Water Systems Engineering, Water Laboratory, Water Construction, Systems Operations, Lakes and Recreation Reservoir Management, and Storm Water/Watershed. Water Administration provides support to all sections within the Division. The Safety section manages the security of the water system, enforces compliance with environmental health regulations, and ensures a safe workplace for the department's employees. Water Systems Engineering duties include design, construction administration, project administration and inspection of the City's water supply. Additionally, this section manages funds used to import water from the County Water Authority, which supplements local water sources. The Water Laboratory is responsible for monitoring and reporting the bacterial and chemical quality of the City's drinking water. It performs extensive analyses, following all State and federal mandates. The Water Construction section pro-

# Water

## Division/Major Program Description (continued)

### Water Operations (continued)

vides construction, maintenance and repair activities. It also provides Construction support to the Capital Improvements Program. System Operations coordinates all raw and treated water supplies. Raw water is chemically treated, filtered, and disinfected to produce clear, odorless potable water meeting all applicable health regulations. This section also operates and maintains water pump stations, reservoirs, water storage facilities, and major transmission pipelines, as well as provides Emergency Services. Lakes and Recreation Reservoir Management is responsible for water storage and recreation. This section utilizes the City's municipal water supply reservoirs for outdoor, water-based recreational activities which are compatible with safe, potable water. The Storm Water/Watershed section was added to oversee compliance with the regulations of San Diego Regional Water Quality Control Board's new Storm Water Permit.

### Water Policy and Strategic Planning

The Water Policy and Strategic Planning Division is responsible for developing the departmental Strategic Business Plan, implementing the Asset Management System, formulating and making water policy recommendations, providing public outreach for capital projects and evaluating the new water supply resources. The Division is comprised of seven major sections; Division Management, Administration, Contract Procurement, Water Policy, Water Reliability Program, Environmental and Permits, and Public Information. Division Management provides direction and oversees division activities. Administration provides general administrative and data systems support; Contract Procurement prepares, procures, and monitors agreements for all design, design-build, and specialty consultants required to implement the Capital Improvements Program. Water Policy interacts with other agencies, tracks water policy issues and related legislation and provides analysis of complex water resource issues to make recommendations that will better guide water policy outcomes set by the City's decision making bodies. The Water Reliability Program is charged with planning the development of local water supplies. Environmental and Permits provides guidance and environmental review of projects and assists in securing necessary environmental permits for capital projects. Public Information provides information to target audiences and stakeholders and responds to requests for information with the Capital Improvements Program.

## Service Efforts and Accomplishments

The Water Department has an unblemished record of water quality. To continue this high quality of service, the Water Department embarked on new projects, including rehabilitating and building new water facilities, exploring new water conservation incentives, and reducing energy consumption.

### Alvarado Water Treatment Plant

The Alvarado Water Treatment Plant provides drinking water to more than 500,000 residents. Construction on the plant expansion and upgrade project includes new filters and sedimentation basins, upgrading pump stations, remodeling the operations building, replacing the existing Earl Thomas Reservoir, rehabilitating existing filters, constructing ozone disinfectant facilities and installing new security. The project is expected to be completed in late 2008 at a cost of \$184 million.

### Black Mountain Road Pipelines Project

The Black Mountain Road Pipelines Project, a design-build innovation, began construction in April 2002. The \$20 million project consists of a five-mile drinking water pipeline and nearly four miles of reclaimed water pipeline. The new pipelines will be installed concurrently to minimize construction impacts to nearby communities. By utilizing the design-build method, the City will save money and time in building this project. Concurrent pipeline installation reduces construction time and traffic congestion.

### Miramar Water Treatment Plant

The project consists of two efforts: the Miramar Water Distribution System Improvements Project, and the Miramar Water Treatment Plant Upgrade and Expansion Project. The first effort includes the rehabilitation of the Miramar Lake Pump Station and installing large diameter water treatment facilities in the immediate area surrounding the Miramar Water Treatment Plant. Construction is expected to be completed by 2004. The second effort includes upgrading a rapid mix facility, a disinfection facility, sedimentation basins and filters. Construction is expected to be completed by 2008. The total project cost for the Miramar Water Treatment Plant Upgrade and Expansion Project is estimated at \$135 million.

### Catalina Water Pump Station

The Catalina Water Pump Station is located in the community of Point Loma. The new pump station will contain four energy-efficient pumps and motors, state of the art electrical and telemetry equipment, and will feature construction of an architecturally enhanced building consistent with the aesthetics of the surrounding community. Construction on the Catalina Pump Station is scheduled for completion in Spring 2004 at a cost of \$5 million.

### Aqua 2000 Project

Aqua 2000 tests new wastewater and water treatment technologies. Aqua 2000 has developed partnerships with membrane system manufacturers and the State Department of Health Services to test and certify water treatment systems. The City is operating a revenue-generating, independent testing operation. With grant funds from the U.S. Environmental Protection Agency, California Department of Water Resources, California Energy Commission, and the U.S. Bureau of Reclamation, Aqua 2000 conducts pilot scale studies to evaluate more cost effective ways to treat available water sources.

The Water Department must select treatment technologies for its water treatment plants to meet new, more stringent, surface water treatment regulations. Pilot testing can provide information with which to choose technology. Attracting paying manufacturers to this effort gives the City access to key information at no net cost.

### Recycled Water

Almost 90 percent of San Diego's potable water is imported. Because of this, the Water Department is continually looking at ways to conserve water. The use of recycled water has become an important part of conservation. The City Council approved lower recycled water rates to help marketing efforts to customers. Although the Water

# Water

## Service Efforts and Accomplishments (continued)

Department is relatively new to the recycled water field, it has formed more connections than any other agency in the County.

## Future Outlook

The overall goal of the Water Department is to create and provide a safe and reliable water treatment and distribution system at the lowest possible cost. In an effort to meet the Mayor's 10 Goals, the Department is working to make neighborhoods that we can be proud of and keep San Diego a City worthy of our affection through infrastructure projects.

San Diego's population is expected to grow to over 1.9 million residents by 2030, resulting in a 20 - 40 percent increase in water consumption. To meet the expected demand and foster water independence, the Department is evaluating storage and supply options, including conservation, desalinization, groundwater, water transfers and reclaimed water.

The Water Department is continuing efforts to ensure a secure supply to satisfy future water requirements for the City. The current Capital Improvements Program (CIP) will upgrade and expand the existing water delivery infrastructure, and the Long Range Water Resources Plan will provide a guide for generalized strategic resource planning through 2030.

The City of San Diego Water Department has always been involved in water supply planning. This planning effort produced the Strategic Plan for Water Supply in 1997. The plan developed a comprehensive CIP that identified key investments in water treatment, storage and distribution and set goals for water conservation and reclamation to meet City water demands through 2015. The Water Department's Strategic Plan provides the flexibility to meet City water demands to the year 2030. The City Council's acceptance of the Long Range Water Resources Plan in Fall 2002 enabled the Department to continue to provide a reliable, safe water supply for the future.

### Source Water Protection

Source water protection and watershed management are vital to preserving drinking water quality. The Department's Watershed GIS has mapped all nine watersheds and compiled an electronic archive/database of watershed characteristics. Currently, Source Water Protection Guidelines for New Development are being prepared which will establish design best management practices for new building projects in the areas upstream of the reservoirs. The Department is the lead agency in the Watershed Stewardship Initiative for the San Dieguito River Basin, funded by a Clean Water Act Section 205(j) grant. In addition, the Department is an active participant in other watershed management planning projects for the San Diego area including Watershed Urban Runoff Management Plans for four watersheds in the San Diego region. The Water Quality Laboratory has established 33 sampling sites on streams tributary to the reservoirs and 22 sampling sites on the reservoirs; these sites are routinely monitored for pollutants.

### Storm Water Pollution Prevention Plan (SWPPP)

The Plan requires contractors on Water Department projects to prevent pollutants from leaving project sites and entering into the storm drains. The Water Department has prepared SWPPPs for all its facilities to help support the Mayor's Goal #4, Clean up our beaches and bays.

### Water Rate Increase

In April 2002, the City Council approved five annual six percent rate increases effective July 1, 2002, for utility operations and maintenance and CIP. The Department spent approximately \$371 million to fund capital projects between fiscal years 1999 and 2002. The projected CIP costs for water system improvements are approximately \$511 million from Fiscal Year 2002 to 2007. This program provides \$882 million worth of improvements to water infrastructure and ensures the safety and reliability of the City's water service. The Water Department issued



## Future Outlook (continued)

subordinated water revenue bonds totaling \$286.9 million in October 2002. Fitch Ratings assigned an A+ rating to the CIP Program's series 2002 bonds reflecting strong financial performance and liquidity levels. Additional rate increases and bond issuances will be required in the future to continue this work.

## Budget Dollars at Work

75,564 Million gallons in water deliveries (raw and filtered)  
 70,798 Million gallons in City water consumption (including South Bay area)  
 3,279.79 Miles of water mains  
 267,845 Meters  
 3 Treatment plants  
 24,145 Fire hydrants  
 9 Impounding dams and reservoirs  
 257,989 Customer service calls answered

Water				
	FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 FINAL	FY 2003-2004 CHANGE
Positions	851.74	855.74	860.74	5.00
Personnel Expense	\$ 53,794,761	\$ 52,142,071	\$ 62,777,150	\$ 10,635,079
Non-Personnel Expense	\$ 328,103,959	\$ 278,565,950	\$ 295,624,210	\$ 17,058,260
<b>TOTAL</b>	<b>\$ 381,898,720</b>	<b>\$ 330,708,021</b>	<b>\$ 358,401,360</b>	<b>\$ 27,693,339</b>

## Department Staffing

	FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 FINAL
<b>WATER DEPARTMENT FUND</b>			
<b>Water</b>			
Administration	24.00	22.00	22.00
Business Operations Section	34.00	34.00	34.00
Capital Improvement Projects	27.00	27.00	27.00
CIP Division Management	1.00	1.00	1.00
Contract Procurement	6.00	7.00	7.00
Customer Services Office	57.00	58.00	57.00
Customer Support Division Administration	6.00	6.00	6.00
Department Management	2.74	2.74	2.74
Division Management	9.00	9.00	8.00
Environmental Services	3.00	3.00	3.00
Field Services & Investigations	50.00	47.00	48.00
Human Resources	29.50	29.50	32.50
Lakes & Recreation/Reservoir Mgmt	45.00	45.00	44.00
Meter Services	67.00	69.00	67.00

# Water

## Department Staffing (continued)

	FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 FINAL
<b>WATER DEPARTMENT FUND</b>			
<b>Water</b>			
Operations Liaison	5.00	5.00	5.00
Project Management Planning & Dev	16.00	16.00	16.00
Public Information	4.50	4.50	4.50
Recycled Water Program	9.70	8.50	8.50
Special Projects	1.00	1.00	1.00
Stormwater/Watershed	0.00	0.00	4.00
System Operations	129.00	132.00	151.00
Water Construction	181.00	181.00	160.00
Water Laboratory	51.00	51.00	50.00
Water Operations Administration	23.00	23.00	23.00
Water Policy & Water Resources Planning	3.00	5.00	6.00
Water Resources Management	17.30	18.50	20.50
Water System Engineering	50.00	50.00	52.00
<b>Total</b>	<b>851.74</b>	<b>855.74</b>	<b>860.74</b>

## Department Expenditures

	FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 FINAL
<b>WATER DEPARTMENT FUND</b>			
<b>Water</b>			
Administration	\$ 27,463,924	\$ 33,292,700	\$ 38,721,589
Business Operations Section	\$ 9,034,315	\$ 11,744,333	\$ 14,951,607
Capital Improvement Projects	\$ 120,430,363	\$ 63,606,782	\$ 67,476,994
CIP Division Management	\$ 468,152	\$ 258,242	\$ 357,614
Contract Procurement	\$ 388,991	\$ 567,983	\$ 638,074
Customer Services Office	\$ 3,962,281	\$ 5,926,254	\$ 6,806,556
Customer Support Division Administration	\$ 862,682	\$ 930,543	\$ 704,233
Department Management	\$ 858,133	\$ 681,878	\$ 710,510
Division Management	\$ 1,636,379	\$ 1,723,328	\$ 2,674,781
Enterprise Fund Management	\$ 10,941,189	\$ 25,597,583	\$ 27,584,686
Environmental Services	\$ 152,755	\$ 242,757	\$ 260,699
Field Services & Investigations	\$ 2,747,871	\$ 2,971,147	\$ 3,129,999
Human Resources	\$ 2,228,941	\$ 2,568,209	\$ 2,774,220
Lakes & Recreation/Reservoir Mgmt	\$ 4,062,989	\$ 3,581,547	\$ 5,533,208
Meter Services	\$ 5,890,686	\$ 5,233,730	\$ 6,584,731
Operations Liaison	\$ 1,497,187	\$ 1,156,916	\$ 1,231,549
Proj Mgmt - Treatment Plants	\$ 161,004	\$ 46,020	\$ 99,024
Project Management - North	\$ 247,835	\$ 32,976	\$ 33,231
Project Management - South	\$ 245,633	\$ 32,422	\$ 72,698
Project Management Planning & Dev	\$ 623,622	\$ 1,544,103	\$ 1,714,164
Public Information	\$ 394,290	\$ 401,809	\$ 442,964

## Department Expenditures (continued)

	FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 FINAL
<b>WATER DEPARTMENT FUND</b>			
<b>Water</b>			
Recycled Water Program	\$ 6,168,806	\$ 757,466	\$ 914,932
Special Projects	\$ 69,132	\$ 111,488	\$ 120,981
Stormwater/Watershed	\$ 521,530	\$ 173,811	\$ 548,934
System Operations	\$ 14,704,915	\$ 14,653,325	\$ 17,972,645
Water Construction	\$ 16,897,950	\$ 13,353,537	\$ 13,922,405
Water Laboratory	\$ 4,957,886	\$ 5,320,916	\$ 5,567,758
Water Operations Administration	\$ 18,223,965	\$ 19,597,541	\$ 18,599,937
Water Policy & Water Resources Planning	\$ 995,353	\$ 1,200,097	\$ 1,362,081
Water Resources Management	\$ 2,939,910	\$ 3,213,670	\$ 3,481,280
Water System Engineering	\$ 122,120,050	\$ 110,184,908	\$ 113,407,276
<b>Total</b>	<b>\$ 381,898,720</b>	<b>\$ 330,708,021</b>	<b>\$ 358,401,360</b>

## Significant Budget Adjustments

### WATER DEPARTMENT FUND

Water Department	Positions	Cost
<b>Salary and Benefit Adjustments</b>	0.00	\$ 5,719,124
Adjustments to reflect the annualization of the Fiscal Year 2003 negotiated salary compensation schedule, Fiscal Year 2004 negotiated salaries and benefits, changes to average salaries, retirement contributions and other benefit compensation.		
<b>Bond Debt Service Increase</b>	0.00	\$ 5,424,258
Debt service for existing bond debt.		
<b>Capital Improvement Program</b>	0.00	\$ 3,753,629
Adjustment for funding municipal and reclaimed capital projects.		
<b>Water System Technician (WST) Series</b>	0.00	\$ 2,866,382
Salary adjustments associated with converting existing classifications to the WST classification series. This is the second year of a three year implementation program. The Mayor and City Council approved the conversion to a WST class series in Fiscal Year 2001, which will provide an effective and flexible workforce that will result in long term savings, avoided costs and improved water system reliability.		
<b>Funding for Water Purchases</b>	0.00	\$ 2,753,000
Increase is in conformance with the Department's current Finance Plan and reflects purchases amounting to 94 percent of demand.		

# Water

## Significant Budget Adjustments (continued)

### WATER DEPARTMENT FUND

Water Department	Positions	Cost
<b>Non-Discretionary</b> Adjustments to reflect expenses that are determined outside of the Department's direct control. Examples of these adjustments include utilities, insurance, and rent.	0.00 \$	2,384,354
<b>Funding for Reservoir Concessions</b> Funding support provided to the Park and Recreation Department for management of City reservoir concession operations. These additional costs are to be partially offset by new concession revenues.	0.00 \$	1,787,675
<b>Operating Reserve</b> The Operating Reserve is a budgeted amount which is calculated to provide for 45 days of operation in the event of major disruption to the Water Fund revenue stream as required by bond agreements. The reserve is budgeted at 12.5 percent of the Water Department operating budget, excluding monies for CIP projects, debt service payments and water purchases.	0.00 \$	1,738,599
<b>Funding for Security Measures</b> Funding support for maintenance and repair of surveillance equipment, a 24-hour guard to monitor new security operation center, and continued security guard service at Water Department dams, water treatment plants, and operation yards. Additionally, security funding is required for upgrades to enclosed and non-enclosed pump stations, regulators, and the treated water reservoirs.	0.00 \$	968,000
<b>Funding for Monthly Billing</b> Support for the implementation of a monthly water and sewer billing system. Both the Water and Sewer Funds will be positively impacted in the near-term due to reduction in the time between consumption by the customers and the date of the billing for consumption. The new system will result in accelerated cash receipts during Fiscal Year 2004.	0.00 \$	929,507
<b>Staffing and Support for Storm Water Program</b> Addition of 4.00 positions and support costs to implement the Water Department's portion of the City's Jurisdictional Urban Runoff Management Program and protect source water (runoff) which drains to our reservoirs. This funding commitment is a less costly alternative than hiring consultants to perform these functions.	4.00 \$	375,123
<b>Professional Engineer Pay</b> Adjustment to reflect funding for the Professional Engineer Registration entitlement paid to all qualified engineers.	0.00 \$	211,322

## Significant Budget Adjustments (continued)

### WATER DEPARTMENT FUND

Water Department	Positions	Cost
<b>Urban Forestry Program</b> The Water Department will fund 1.00 Program Manager to coordinate the City's Urban Forestry Program.	1.00 \$	145,613
<b>Information Systems Analyst (ISA) III Swap Out</b> Conversion of an Information Systems Technician to an Information Systems Analyst III. The position will perform as the lead project manager the for Local Area Network and Wide Area Network activities.	0.00 \$	28,554
<b>Word Processing Operator and Senior Clerk Typist Swap Outs</b> Transfer of staffing from Water Operations Division and Customer Support Division to Administration Division. Transferred positions were converted into 1.00 Word Processing Operator, and 2.00 Senior Clerk Typist positions. The 3.00 positions will provide support to the Human Resources section.	0.00 \$	(17,355)
<b>Onetime Expenditure Removal</b> Removal of Fiscal Year 2003 onetime funding for Downtown Day Care Center construction.	0.00 \$	(280,000)
<b>Transfer of Support for the San Diego River Park Master Plan</b> This adjustment for Fiscal Year 2004, reflects a reduction of \$50,000 and the transfer of the remaining \$250,000 in funding from the Operating budget to the Capital Improvements Program (CIP). Total funding from the Water Department amounts to \$550,000 and reflects continued support of the San Diego River Park Master Plan which will provide protection to the watershed and groundwater areas of San Diego.	0.00 \$	(300,000)
<b>Support for Information Technology</b> Funding has been reallocated according to a Citywide review of information technology budget requirements and priority analyses.	0.00 \$	(794,446)

# Water

## Expenditures by Category

		FY 2002 ACTUAL		FY 2003 BUDGET		FY 2004 FINAL
PERSONNEL						
Salaries & Wages	\$	41,138,282	\$	39,280,917	\$	45,438,969
Fringe Benefits	\$	12,656,479	\$	12,861,154	\$	17,338,181
SUBTOTAL PERSONNEL	\$	53,794,761	\$	52,142,071	\$	62,777,150
NON-PERSONNEL						
Supplies & Services	\$	307,513,320	\$	252,985,595	\$	268,777,461
Information Technology	\$	11,292,165	\$	13,887,552	\$	16,178,682
Energy/Utilities	\$	7,523,581	\$	10,093,041	\$	9,078,245
Equipment Outlay	\$	1,774,892	\$	1,599,762	\$	1,589,822
SUBTOTAL NON-PERSONNEL	\$	328,103,959	\$	278,565,950	\$	295,624,210
TOTAL	\$	381,898,720	\$	330,708,021	\$	358,401,360

## Key Performance Measures

		FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 FINAL
Average cost to negotiate and prepare agreements, amendments, and task orders	(1)	\$4,687	\$12,085	\$13,576
Average cost to complete planning studies	(2)	\$22,902	\$84,882	\$94,358
Average cost per water laboratory test		\$61	\$63	\$65
Average cost per meter read		\$0.67	\$0.68	\$0.64
Average cost per customer contact	(3)	\$3.53	\$3.58	\$4.00

## Salary Schedule

### WATER DEPARTMENT FUND

#### Water Department

Class	Position Title	FY 2003 Positions	FY 2004 Positions	Salary	Total
1104	Account Clerk	6.00	6.00	\$ 32,826	\$ 196,957
1105	Administrative Aide I	1.00	0.00	\$ -	\$ -
1106	Sr Management Analyst	7.00	8.00	\$ 62,561	\$ 500,489
1107	Administrative Aide II	11.00	11.00	\$ 44,197	\$ 486,165
1136	Asst Chemist	16.00	16.00	\$ 56,850	\$ 909,599
1153	Asst Engineer-Civil	31.00	32.00	\$ 60,046	\$ 1,921,475
1160	Asst Laboratory Technician	1.00	0.00	\$ -	\$ -
1193	Asst Reservoir Keeper	9.00	8.00	\$ 36,416	\$ 291,324
1218	Assoc Management Analyst	24.00	24.00	\$ 55,514	\$ 1,332,333

(1) Costs increased due to the transfer of one Administrative Aide II position to the section and the addition of professional engineer pay added to the Fiscal Year 2004 Annual Budget.

(2) Fiscal Year 2002 actuals reflect only salary expenses charged to the Operation and Maintenance fund, not the CIP fund. Cost increase is due to addition of professional engineer pay added to the Fiscal Year 2004 Annual Budget.

(3) Figures do not include expenditures that support the Community Service Centers.

## Salary Schedule (continued)

### WATER DEPARTMENT FUND

#### Water Department

<i>Class</i>	<i>Position Title</i>	<i>FY 2003 Positions</i>	<i>FY 2004 Positions</i>	<i>Salary</i>	<i>Total</i>
1220	Assoc Chemist	5.00	<b>5.00</b>	\$ 66,124	\$ 330,620
1221	Assoc Engineer-Civil	30.00	<b>32.00</b>	\$ 70,525	\$ 2,256,815
1223	Assoc Engineer-Electrical	1.00	<b>1.00</b>	\$ 70,866	\$ 70,866
1225	Assoc Engineer-Mechanical	1.00	<b>1.00</b>	\$ 70,866	\$ 70,866
1226	Assoc Personnel Analyst	2.00	<b>2.00</b>	\$ 59,627	\$ 119,254
1227	Assoc Planner	2.00	<b>2.00</b>	\$ 54,828	\$ 109,656
1235	Multimedia Production Coordinator	1.00	<b>1.00</b>	\$ 49,254	\$ 49,254
1237	Payroll Specialist I	1.00	<b>1.00</b>	\$ 35,079	\$ 35,079
1238	Payroll Supv	1.00	<b>1.00</b>	\$ 42,336	\$ 42,336
1243	Info Systems Administrator	1.00	<b>1.00</b>	\$ 78,358	\$ 78,358
1275	Building Services Supv	1.00	<b>1.00</b>	\$ 48,729	\$ 48,729
1288	Carpenter	2.00	<b>2.00</b>	\$ 45,192	\$ 90,383
1293	Cement Finisher	2.00	<b>1.00</b>	\$ 44,772	\$ 44,772
1330	Cashier	5.00	<b>4.00</b>	\$ 31,281	\$ 125,123
1348	Info Systems Analyst II	6.00	<b>7.00</b>	\$ 56,143	\$ 392,999
1349	Info Systems Analyst III	2.00	<b>3.00</b>	\$ 62,954	\$ 188,862
1356	Code Compliance Officer	4.00	<b>4.00</b>	\$ 38,721	\$ 154,884
1357	Code Compliance Supv	1.00	<b>1.00</b>	\$ 45,218	\$ 45,218
1369	Water Distribution Operator	0.00	<b>6.00</b>	\$ 43,007	\$ 258,040
1370	Water Distribution Operations Supv	0.00	<b>1.00</b>	\$ 52,124	\$ 52,124
1393	Customer Services Supv	2.00	<b>2.00</b>	\$ 58,029	\$ 116,057
1394	Customer Services Representative	39.00	<b>38.00</b>	\$ 33,560	\$ 1,275,271
1398	Ranger/Diver I	4.00	<b>4.00</b>	\$ 44,642	\$ 178,566
1399	Ranger/Diver II	2.00	<b>2.00</b>	\$ 49,618	\$ 99,236
1400	Ranger/Diver Supv	1.00	<b>1.00</b>	\$ 57,216	\$ 57,216
1401	Info Systems Technician	7.00	<b>6.00</b>	\$ 43,594	\$ 261,563
1423	Sr Drafting Aide	9.00	<b>9.00</b>	\$ 46,528	\$ 418,750
1428	Electrician	1.00	<b>0.00</b>	\$ -	\$ -
1436	Equipment Technician I	38.00	<b>39.00</b>	\$ 37,175	\$ 1,449,826
1437	Equipment Mechanic	1.00	<b>1.00</b>	\$ 46,084	\$ 46,084
1438	Equipment Technician II	22.00	<b>22.00</b>	\$ 41,498	\$ 912,953
1440	Equipment Operator II	14.00	<b>14.00</b>	\$ 43,568	\$ 609,947
1441	Equipment Technician III	1.00	<b>1.00</b>	\$ 45,353	\$ 45,353
1443	Electronics Technician	1.00	<b>1.00</b>	\$ 47,372	\$ 47,372
1445	Equipment Operator III	1.00	<b>1.00</b>	\$ 45,480	\$ 45,480
1465	Field Representative	20.00	<b>21.00</b>	\$ 34,267	\$ 719,609

# Water

## Salary Schedule (continued)

### WATER DEPARTMENT FUND

#### Water Department

<i>Class</i>	<i>Position Title</i>	<i>FY 2003 Positions</i>	<i>FY 2004 Positions</i>	<i>Salary</i>		<i>Total</i>
1468	Grounds Maintenance Worker II	2.00	<b>0.00</b>	\$	-	\$ -
1488	General Water Utility Supv	1.00	<b>1.00</b>	\$	60,622	\$ 60,622
1512	Heavy Truck Driver II	2.00	<b>2.00</b>	\$	39,429	\$ 78,858
1520	Hydrography Aide	1.00	<b>1.00</b>	\$	39,323	\$ 39,323
1522	Instrumentation & Control Supv	1.00	<b>1.00</b>	\$	60,098	\$ 60,098
1523	Instrumentation & Control Tech	8.00	<b>7.00</b>	\$	52,282	\$ 365,974
1535	Clerical Assistant II	9.50	<b>9.00</b>	\$	30,468	\$ 274,211
1556	Recycling Program Manager	1.00	<b>1.00</b>	\$	81,817	\$ 81,817
1560	Lake Aide II	15.00	<b>14.00</b>	\$	27,691	\$ 387,679
1575	Data Entry Operator	1.00	<b>1.00</b>	\$	33,167	\$ 33,167
1580	Laboratory Technician	10.00	<b>10.00</b>	\$	41,917	\$ 419,170
1599	Lakes Program Manager	1.00	<b>1.00</b>	\$	78,333	\$ 78,333
1612	Org Effectiveness Specialist III	1.00	<b>1.00</b>	\$	62,430	\$ 62,430
1614	Org Effectiveness Specialist II	2.00	<b>2.00</b>	\$	56,090	\$ 112,180
1615	Org Effectiveness Supv	1.00	<b>1.00</b>	\$	67,958	\$ 67,958
1620	Meter Reader	17.00	<b>17.00</b>	\$	30,468	\$ 517,963
1622	Biologist III	5.00	<b>5.00</b>	\$	65,233	\$ 326,166
1624	Biologist II	8.00	<b>9.00</b>	\$	53,549	\$ 481,941
1648	Payroll Specialist II	6.00	<b>6.00</b>	\$	36,573	\$ 219,435
1650	Sr Personnel Analyst	1.00	<b>1.00</b>	\$	69,320	\$ 69,320
1652	Plant Technician I	5.00	<b>5.00</b>	\$	39,664	\$ 198,319
1653	Plant Technician II	3.00	<b>3.00</b>	\$	43,593	\$ 130,779
1654	Plant Technician III	3.00	<b>3.00</b>	\$	47,812	\$ 143,436
1666	Plant Process Control Electrician	3.00	<b>3.00</b>	\$	52,294	\$ 156,881
1668	Plant Process Control Supv	1.00	<b>1.00</b>	\$	58,055	\$ 58,055
1669	Plant Technician Supv	3.00	<b>3.00</b>	\$	55,330	\$ 165,990
1725	Principal Drafting Aide	4.00	<b>4.00</b>	\$	53,465	\$ 213,859
1727	Principal Engineering Aide	10.00	<b>10.00</b>	\$	52,762	\$ 527,622
1734	Principal Water Utility Supv	5.00	<b>5.00</b>	\$	55,331	\$ 276,654
1746	Word Processing Operator	25.00	<b>28.50</b>	\$	33,015	\$ 940,934
1752	Project Officer II	1.00	<b>1.00</b>	\$	81,477	\$ 81,477
1776	Public Information Clerk	4.00	<b>4.00</b>	\$	33,062	\$ 132,248
1777	Public Info Officer	4.50	<b>4.50</b>	\$	46,423	\$ 208,902
1798	Golf Course Manager	1.00	<b>1.00</b>	\$	61,121	\$ 61,121
1804	Sr Biologist	1.00	<b>1.00</b>	\$	76,184	\$ 76,184
1816	Claims & Insurance Manager	2.00	<b>2.00</b>	\$	76,105	\$ 152,210



## Salary Schedule (continued)

### WATER DEPARTMENT FUND

#### Water Department

<i>Class</i>	<i>Position Title</i>	<i>FY 2003 Positions</i>	<i>FY 2004 Positions</i>	<i>Salary</i>	<i>Total</i>
1817	Reservoir Keeper	8.00	<b>9.00</b>	\$ 42,127	\$ 379,141
1825	Safety Representative I	1.00	<b>1.00</b>	\$ 44,458	\$ 44,458
1826	Safety Representative II	2.00	<b>2.00</b>	\$ 53,340	\$ 106,679
1844	Sr Account Clerk	1.00	<b>1.00</b>	\$ 38,197	\$ 38,197
1854	Sr Chemist	1.00	<b>1.00</b>	\$ 76,184	\$ 76,184
1855	Sr Civil Engineer	9.00	<b>10.00</b>	\$ 81,581	\$ 815,810
1860	Sr Customer Services Rep	6.00	<b>6.00</b>	\$ 39,404	\$ 236,421
1861	Sr Engineering Aide	11.00	<b>11.00</b>	\$ 45,192	\$ 497,107
1863	Sr Electrical Engineer	1.00	<b>1.00</b>	\$ 81,791	\$ 81,791
1869	Sr Meter Reader	1.00	<b>1.00</b>	\$ 33,717	\$ 33,717
1870	Senior Water Utility Supv	18.00	<b>18.00</b>	\$ 49,194	\$ 885,492
1872	Sr Planner	2.00	<b>2.00</b>	\$ 66,738	\$ 133,476
1876	Executive Secretary	1.37	<b>1.37</b>	\$ 46,240	\$ 63,349
1879	Sr Clerk/Typist	3.00	<b>4.00</b>	\$ 38,040	\$ 152,159
1884	Water Production Superintendent	1.00	<b>1.00</b>	\$ 86,925	\$ 86,925
1899	Stock Clerk	1.00	<b>1.00</b>	\$ 30,730	\$ 30,730
1902	Storekeeper I	2.00	<b>2.00</b>	\$ 35,786	\$ 71,572
1917	Supv Management Analyst	5.00	<b>5.00</b>	\$ 71,076	\$ 355,379
1921	Supv Field Representative	2.00	<b>2.00</b>	\$ 36,441	\$ 72,882
1925	Supv Meter Reader	1.00	<b>1.00</b>	\$ 39,402	\$ 39,402
1926	Info Systems Analyst IV	2.00	<b>2.00</b>	\$ 70,002	\$ 140,003
1927	Supv Personnel Analyst	1.00	<b>1.00</b>	\$ 78,333	\$ 78,333
1940	Supv Public Info Officer	3.00	<b>3.00</b>	\$ 63,190	\$ 189,570
1946	Tank Service Technician I	8.00	<b>7.00</b>	\$ 33,508	\$ 234,553
1947	Tank Service Technician II	2.00	<b>3.00</b>	\$ 36,144	\$ 108,432
1971	Training Supv	1.00	<b>1.00</b>	\$ 58,363	\$ 58,363
1972	Safety & Training Manager	2.00	<b>2.00</b>	\$ 71,232	\$ 142,464
1974	Utility Supv	1.00	<b>1.00</b>	\$ 45,794	\$ 45,794
1978	Utility Worker I	112.00	<b>108.00</b>	\$ 31,988	\$ 3,454,700
1985	Welder	4.00	<b>3.00</b>	\$ 46,397	\$ 139,190
1986	Water Operations Supv	3.00	<b>3.00</b>	\$ 64,866	\$ 194,598
1987	Sr Water Operations Supv	4.00	<b>4.00</b>	\$ 75,320	\$ 301,280
1988	Water Plant Operator	17.00	<b>17.00</b>	\$ 59,170	\$ 1,005,887
1991	Water Utility Supv	27.00	<b>27.00</b>	\$ 44,746	\$ 1,208,149
1992	Water Utility Worker	73.00	<b>71.00</b>	\$ 34,581	\$ 2,455,279
2153	Deputy City Manager	0.37	<b>0.37</b>	\$ 171,146	\$ 63,324

# Water

## Salary Schedule (continued)

### WATER DEPARTMENT FUND

#### Water Department

<i>Class</i>	<i>Position Title</i>	<i>FY 2003 Positions</i>	<i>FY 2004 Positions</i>	<i>Salary</i>		<i>Total</i>
2194	Water Department Director	1.00	<b>1.00</b>	\$	131,631	\$ 131,631
2214	Deputy Director	4.00	<b>5.00</b>	\$	110,053	\$ 550,265
2250	Asst Deputy Director	2.00	<b>2.00</b>	\$	99,348	\$ 198,696
2270	Program Manager	5.00	<b>6.00</b>	\$	92,055	\$ 552,328
	Bilingual - Regular	0.00	<b>0.00</b>	\$	-	\$ 8,391
	Confined Space Pay	0.00	<b>0.00</b>	\$	-	\$ 167,681
	Emergency Medical Tech	0.00	<b>0.00</b>	\$	-	\$ 23,019
	Ex Perf Pay-Classified	0.00	<b>0.00</b>	\$	-	\$ 50,136
	Ex Perf Pay-Unclassified	0.00	<b>0.00</b>	\$	-	\$ 3,030
	Overtime Budgeted	0.00	<b>0.00</b>	\$	-	\$ 1,098,139
	Reg Pay For Engineers	0.00	<b>0.00</b>	\$	-	\$ 354,973
	Standby Pay	0.00	<b>0.00</b>	\$	-	\$ 87,550
	Tech Cert Pay	0.00	<b>0.00</b>	\$	-	\$ 210
	Temp CIP City Force Wages	0.00	<b>0.00</b>	\$	-	\$ 1,140,122
	Temporary Help	0.00	<b>0.00</b>	\$	-	\$ 3,304,829
	<b>Total</b>	855.74	<b>860.74</b>			<b>\$ 45,438,969</b>

<b>WATER TOTAL</b>	855.74	<b>860.74</b>		<b>\$ 45,438,969</b>
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## Five-Year Expenditure Forecast

	FY 2004 FINAL	FY 2005 FORECAST	FY 2006 FORECAST	FY 2007 FORECAST	FY 2008 FORECAST	FY 2009 FORECAST
Positions	860.74	860.74	860.74	860.74	860.74	860.74
Personnel Expense	\$ 62,777,150	\$ 64,660,465	\$ 66,600,279	\$ 68,598,287	\$ 70,656,236	\$ 72,775,923
Non-Personnel Expense	\$295,624,210	\$359,710,999	\$370,684,610	\$371,824,295	\$436,092,932	\$383,239,097
TOTAL EXPENDITURES	\$358,401,360	\$424,371,464	\$437,284,889	\$440,422,582	\$506,749,168	\$456,015,020

### Water

#### Fiscal Year 2005

Note: Fiscal Year 2004 Budget totals include 27.00 positions and monies allocated to the Capital Improvements Program of \$67,476,994 as well as funding for Bond Debt in the amount of \$34,861,258 and 45 Day Operating Reserve totaling \$16,290,626.

Totals do not include \$550,000 associated with the San Diego River Park Project which is budgeted in the Park and Recreation Department.

Net increase of \$7,315,117 in funding for water purchases (commodity and non-commodity). This increase will maintain funding levels for the water purchase budget at 94% of demand.

No increase in funding required in FY 2005 for debt service related to the continuation of the Capital Improvements Program.

Net increase of \$47,902,946 in funding for the Capital Improvements Program.

#### Fiscal Year 2006

Net increase of \$1,701,987 in funding for water purchases (commodity and non-commodity). This increase will maintain funding levels for the water purchase budget at 94% of demand.

Net increase of \$10,937,000 in funding for debt service related to the continuation of the Capital Improvements Program.

Net decrease of \$10,456,706 in funding for the Capital Improvements Program.

Reduction in funding in the amount of \$2,000,000 which was required in Fiscal Year 2004 and Fiscal Year 2005 associated with the Citywide Financial Accounting System.

# Water

## Five-Year Expenditure Forecast (continued)

	Water
<b>Fiscal Year 2007</b>	<p>Net increase of \$1,735,720 in funding for water purchases (commodity and non-commodity). This increase will maintain funding levels for the water purchase budget at 94% of demand.</p> <p>Net increase of \$4,522,000 in funding for debt service related to the continuation of the Capital Improvements Program.</p> <p>Net reduction of \$16,238,573 in funding for the Capital Improvements Program.</p>
<b>Fiscal Year 2008</b>	<p>Net increase of \$1,770,998 in funding for water purchases (commodity and non-commodity). This increase will maintain funding levels for the water purchase budget at 94% of demand.</p> <p>Net increase of \$12,666,000 in funding for debt service related to the continuation of the Capital Improvements Program.</p> <p>Net increase of \$38,676,910 in funding for the Capital Improvements Program.</p>
<b>Fiscal Year 2009</b>	<p>Net increase of \$1,807,948 in funding for water purchases (commodity and non-commodity). This increase will maintain funding levels for the water purchase budget at 94% of demand.</p> <p>Net decrease of \$67,744,571 in funding for the Capital Improvements Program.</p>

## Revenue and Expense Statement

### WATER DEPARTMENT FUND 41500

	FY 2002 ACTUAL	FY 2003 ESTIMATED	FY 2004 FINAL
<b>BEGINNING BALANCE AND RESERVE</b>			
Balance from Prior Year	\$ 52,167,042	\$ 39,615,525	\$ 22,858,000
Prior Year Balance Adjustment	\$ 33,575,448	\$ -	\$ -
Prior Year Continuing Appropriations	\$ 124,533,110	\$ 96,554,647	\$ 84,956,111
Prior Year Encumbrances Cancelled	\$ 1,924,005	\$ 3,500,000	\$ 2,500,000
Reserve Balance	\$ 58,974,000	\$ 57,584,150	\$ 50,471,043
<b>TOTAL BALANCE</b>	<b>\$ 271,173,605</b>	<b>\$ 197,254,322</b>	<b>\$ 160,785,154</b>
<b>REVENUE</b>			
Capacity Charges	\$ 22,249,985	\$ 15,854,599	\$ 17,243,300
Change in Anticipated Contributions	\$ (699,017)	\$ 3,111,799	\$ 93,276
Change in Anticipated Financing	\$ (57,538,888)	\$ (4,672,019)	\$ -
Contributions in Aid	\$ 120,497	\$ 307,780	\$ 2,936,632
Damages Recovered	\$ 325,170	\$ 336,231	\$ 290,200
Financing Proceeds	\$ 101,608,025	\$ 63,585,081	\$ 78,326,200
Grant Receipts	\$ 2,543,939	\$ 437,597	\$ 3,429,963
Interest Earnings	\$ 10,621,745	\$ 9,202,463	\$ 9,408,000
Lakes Recreation	\$ 1,266,268	\$ 1,238,018	\$ 1,422,200
Land and Building Rentals	\$ 3,628,261	\$ 3,913,591	\$ 3,742,872
New Water Services	\$ 2,097,484	\$ 2,113,433	\$ 1,648,000
Non-Operating Federal Grants	\$ 200,881	\$ 312,021	\$ 325,000
Other Revenue	\$ 8,250,132	\$ 6,667,475	\$ 1,255,454
Reclaimed Water	\$ 1,752,492	\$ 2,614,022	\$ 2,661,000
Reimbursement from Capital Outlay Fund	\$ 1,012,976	\$ 470,928	\$ 114,700
Sale of Discarded Materials	\$ 12,290	\$ 9,704	\$ 14,000
Sale of Water	(1) \$ 198,123,444	\$ 204,385,107	\$ 225,460,239
Service Charges	\$ 493,441	\$ 496,363	\$ 453,400
Service Rendered to Others	\$ 8,410,312	\$ 7,695,137	\$ 7,362,716
<b>TOTAL REVENUE</b>	<b>\$ 304,479,437</b>	<b>\$ 318,079,330</b>	<b>\$ 356,187,152</b>
<b>TOTAL BALANCE AND REVENUE</b>	<b>\$ 575,653,042</b>	<b>\$ 515,333,652</b>	<b>\$ 516,972,306</b>
<b>CAPITAL IMPROVEMENTS PROGRAM (CIP)</b>			
CIP Expenditures/Budget	(2) \$ 120,430,363	\$ 103,000,000	\$ 68,026,994
<b>TOTAL CIP EXPENSE</b>	<b>\$ 120,430,363</b>	<b>\$ 103,000,000</b>	<b>\$ 68,026,994</b>
<b>OPERATING EXPENSE</b>			
Debt Service	\$ 21,929,811	\$ 25,656,266	\$ 34,861,258
Department Expenditures/Encumbrances	\$ 118,297,712	\$ 119,298,699	\$ 125,831,453
In-Lieu Taxes	\$ 1,039,222	\$ 1,110,350	\$ 1,143,144
Infrastructure Access Charge	\$ 4,356,402	\$ 4,412,784	\$ 4,550,818
Net Pension Obligation	\$ 396,729	\$ 754,571	\$ -
Readiness-To-Serve	\$ 3,280,492	\$ 4,045,300	\$ 4,779,374
Transfers to Other Funds	\$ 4,113,134	\$ 4,148,803	\$ 4,492,029

(1) Sale of water reflects change from cash to accrual accounting.

(2) Budget totals include \$550,000 for the San Diego River Park Project budgeted in the Park and Recreation Department. Actual amount budgeted in the Water Department is \$67,476,994.

# Water

## Revenue and Expense Statement (continued)

### WATER DEPARTMENT FUND 41500

	FY 2002 ACTUAL	FY 2003 ESTIMATED	FY 2004 FINAL
<b>OPERATING EXPENSE</b>			
Unallocated Reserve	\$ -	\$ -	\$ 2,347,000
Water Purchases	\$ 108,054,855	\$ 94,621,725	\$ 96,628,664
<b>TOTAL OPERATING EXPENSE</b>	\$ 261,468,357	\$ 254,048,498	\$ 274,633,740
<b>TOTAL EXPENSE</b>	\$ 381,898,720	\$ 357,048,498	\$ 342,660,734
<b>RESERVE</b>			
Capital Reserve	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Expenditures of Prior Year Enc. & Cont. Approp.	\$ -	\$ -	\$ 84,956,111
Operating Reserve	\$ 14,421,150	\$ 14,552,027	\$ 16,290,626
Phase Funded	\$ -	\$ -	\$ 48,881,639
Rate Stabilization Fund	\$ 26,500,000	\$ 20,500,000	\$ 10,500,000
Reserve for CIP Encumbrances	\$ 70,833,859	\$ 56,000,000	\$ -
Reserve for Continuing Appropriations	\$ 25,720,788	\$ 28,956,111	\$ -
Secondary Purchase Reserve	\$ 11,663,000	\$ 10,419,016	\$ 6,426,120
<b>TOTAL RESERVE</b>	\$ 154,138,797	\$ 135,427,154	\$ 172,054,496
<b>TOTAL RESERVE</b>	\$ 154,138,797	\$ 135,427,154	\$ 172,054,496
<b>BALANCE</b>	\$ 39,615,525	\$ 22,858,000	\$ 2,257,076
<b>TOTAL EXPENSE, RESERVE AND BALANCE</b>	\$ 575,653,042	\$ 515,333,652	\$ 516,972,306